



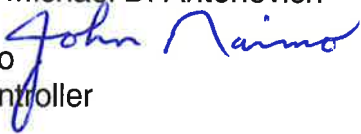
JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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July 20, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: John Naimo 
Auditor-Controller

SUBJECT: **QUARTERLY REPORT ON IMPACT OF HEALTH CARE REFORM ON
COUNTY CASH FLOWS (Board Agenda Item 36-A, June 25, 2013)**

On June 25, 2013, your Board instructed the Auditor-Controller to report quarterly on the impact of health care reform on the County's cash flows and the Department of Health Services' (DHS) financial performance. This report is for the quarter ended June 30, 2016.

We continue to closely monitor General Fund cash advances to the Hospital Funds. For Fiscal Year 2015-16, the County General Fund's cash advances to Hospitals were reduced by \$35 million, as the previous year's balance of \$420 million declined to \$385 million. This continues the ongoing trend of improvement in Hospital cash flows, since the implementation of health care reform. Hospital cash flow requirements remain very manageable and are a significant contributing factor to the County's overall improved cash position.

If you have any questions, please contact me, or your staff may call Connie Yee at (213) 974-8321.

JN:ilm

c: Sachi A. Hamai, Chief Executive Officer
Lori Glasgow, Executive Officer, Board of Supervisors
Mitchell H. Katz, M.D., Director, Los Angeles County Health Agency
Joseph Kelly, Treasurer and Tax Collector
Audit Committee
Public Information Office